

**Statement
Of**

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Before

The

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Public Buildings,
And
Emergency management**

Committee on Transportation and Infrastructure

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Chairman LaTourette, Congresswoman Holmes-Norton, and Members of the Subcommittee, my name is Andrew Mitchell, and I serve as the Deputy Director of the Department of Homeland Security's (DHS) Office for Domestic Preparedness (ODP). On behalf of Secretary Ridge, it is my pleasure to appear before you today to discuss the current status of ODP and other issues of critical importance.

On behalf of all of us at DHS, I want to thank you Mr. Chairman, and all the members of the Committee, for your ongoing support for the Department and for ODP. You and your colleagues have entrusted us with a great responsibility, and we are meeting that responsibility with the utmost diligence.

As you are all aware, ODP is responsible for preparing our Nation against terrorism by assisting States, local jurisdictions, regional authorities, and tribal governments with building their capacity to prepare for, prevent, and respond to acts of terrorism. Through its programs and activities, ODP equips, trains, exercises, and supports State and local homeland security personnel -- our nation's first responders -- who may be called upon to prevent and respond to terrorist attacks.

Mr. Chairman, ODP has established an outstanding track record of capacity building at the State, local, territorial, and tribal levels, by combining subject matter expertise, grant-making know-how, and establishing strong and long-standing ties to the nation's public safety community. Since its creation in 1998, ODP has provided assistance to all 50

States, the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. territories. Through its programs and initiatives ODP has trained 325,000 emergency responders from more than 5,000 jurisdictions and conducted more than 300 exercises. And, by the end of Fiscal Year 2004, ODP will have provided States and localities with more than \$8.1 billion in assistance and direct support.

Throughout its history ODP has strived to improve how it serves its State and local constituents. For example, in Fiscal Year 2003, application materials for the Department's State Homeland Security Grant Program -- under both the Fiscal Year 2003 Omnibus Appropriations Bill, and the Fiscal Year 2003 Supplemental Appropriations Bill -- were made available to the States within two weeks of those bills becoming law. Further, over 90 percent of the grants made under that program were awarded within 14 days of ODP receiving the grant applications.

During Fiscal Year 2004, ODP's record of service to the nation's first responders continues. As of this week, 52 of the 56 States and territories have received their Fiscal Year 2004 funding under the Homeland Security Grant Program. This includes funds to support State-wide preparedness efforts under the State Homeland Security Grant Program, the Law Enforcement Terrorism Prevention Program, and the Citizen Corps Program. These awards represent over \$ 2.1 Billion in direct assistance. In total, \$2.2 Billion will be provided under this initiative.

Further, 48 of the 50 urban areas designated under the Fiscal Year 2004 Urban Areas Security Initiative (UASI program) have been awarded funding so far; the remaining are still under review. This represents \$631 Million in support to high-density population centers with identifiable threats and critical infrastructure. In total over \$670 Million will be provided to these areas. In addition, the Department has identified 30 of the nation's most used urban transit systems and will provide \$49 Million to enhance the overall security of these systems. To date, all 30 of these transit systems have received their Fiscal Year 2004 funds.

Much of how the States and territories will distribute and utilize Homeland Security Grant Program funds will be influenced by the results of the State Homeland Security Assessments and Strategies. As you know, each State, the District of Columbia, the Commonwealth of Puerto Rico, and the territories were required to submit their assessments and strategies by January 31, 2004.

These assessments and strategies, Mr. Chairman, are critically important to both the States and the Federal Government. They provide a wealth of information regarding each State's vulnerabilities, capabilities, and future requirements, as well as each State's preparedness goals and objectives. They provide each State with a roadmap as to how current and future funding, exercise, training, and other preparedness resources should be directed and targeted, and they provide the Federal Government with a better understanding of needs and capabilities. I am happy to report that all assessments and strategies have been received and reviewed or currently are under review by an intra-

DHS review board comprised of representatives from major Department components. Of those 56 strategies, 52 have been approved by the Department. The remaining four should be approved shortly.

During Fiscal Year 2005, ODP will continue to provide States and localities with the resources they require to ensure the safety of the American public. The funds requested by the President for Fiscal Year 2005 will allow ODP to continue to provide the training, equipment, exercises, technical assistance, and other support necessary to better prepare our communities.

DHS's mission is critical, its responsibilities are great, and its programs and activities impact communities across the nation. We will strive to fulfill our mission and meet our responsibilities in an effective and efficient manner. And we will, to the best of our abilities, continue to identify where and how we can improve. Part of our responsibility, part of the Department's responsibility, Mr. Chairman, is the recognition that we can always improve what we do and how we do it. And we can never be too safe or too secure.

This critical mission was recognized by the Congress with the passage of the Homeland Security Act of 2002, and the creation of the Department of Homeland Security. And since the Department's creation, we have worked continuously with the Congress to determine how better to fulfill our common goal of a more secure America. One such

Congressional effort is H.R. 3266, the “Faster and Smarter Funding for First Responders Act of 2003.”

Introduced by Congressman Cox, H.R. 3266 is a major attempt to improve how the Department provides assistance to State and local emergency responders. Since the bill’s introduction, the Department has worked with staff of the Select Committee on Homeland Security and, more recently, has provided the Select Committee a “white paper” containing observations and comments on the bill’s provisions. With your permission, Mr. Chairman, I would like to share those views with this Subcommittee by offering a copy of that “white paper” for inclusion in the record.

Generally, Mr. Chairman, the Department supports much of H.R. 3266, and in particular supports the bill’s intent to further facilitate funding for our first responders. The Department also acknowledges the Select Committee’s work to address many of the Department’s concerns prior to reporting the bill on April 2, 2004. For example, the Department appreciates that, as reported, H.R. 3266 now requires that applications for regional funding under the Section 1804 provisions be submitted to the state for review, and be consistent with the state’s overall homeland security plan. Such close coordination between States, localities, and regions, is critical to an effective and rational distribution of homeland security resources, and is consistent with currently existing ODP funding initiatives, such as the Urban Areas Security Initiative or UASI Program. At the same time Mr. Chairman, the Department believes that many of H.R. 3266’s concerns have already been addressed under the Homeland Security Act of 2002, or

through Departmental initiatives already underway. For example we believe that H.R. 3266's Section 1803 task force requirements duplicate efforts and responsibilities already existing under the Homeland Security Acts Section 871 advisory committee provisions. For example, under Section 871, Secretary Ridge created the Homeland Security Advisory Council in 2003 as a means of providing the Department with a continuing source of advice and comment. The Department believes that it would be more effective and efficient to incorporate additional roles and responsibilities as identified under H.R. 3266's task force provisions, into the Department's current system of task forces and advisory councils, rather than create new advisory mechanisms.

Similarly, the department has taken other action to address other issues raised and addressed by H.R. 3266. Recently the Department's Inspector General released a report titled "An Audit of Distributing and Spending 'First Responder' Grant Funds." That report examined how ODP processed and awarded first responder grant funds during Fiscal Years 2002 and 2003. It also examined how several of the States, once awards have been received, obligate and distribute those funds.

We at ODP welcomed the Inspector General's scrutiny, and now that the report is complete, we see this as an opportunity to validate those things we are doing well, and to identify and act upon those things we need to do better. With your permission, Mr. Chairman, I would like to submit a copy of the report for inclusion in the record.

Overall Mr. Chairman, the Inspector General concluded that ODP has been successful in the development and management of its grant programs, and that ODP has assessed, processed, and awarded its grants in a timely and effective manner. At the same time the Inspector General concluded that there are several ways in which ODP could better assist States and local communities in distributing and dedicating homeland security funds, as well as monitoring and tracking these funds once they have been awarded. The Inspector General concluded that various impediments to the timely distribution of funds at the State and local level should be addressed, and while some of these impediments may be unavoidable, others could be reduced. Most important the Inspector General concluded, and we at ODP agree, that it is more desirable for States to distribute funds wisely and prudently, than to distribute funds in haste.

Among the report's recommendations were:

- For ODP to institute more meaningful reporting by the States so that ODP can track progress more accurately, both in their distribution of funds and in building their preparedness capabilities, and to better assist States when necessary.
- For ODP to improve its communications with State and local jurisdictions in order to keep them better informed as to program requirements and opportunities for assistance.
- For ODP to accelerate the development of federal guidelines for first responder preparedness, including capability levels, equipment, training, and exercises, in order to enhance the ability of States and local jurisdictions to develop preparedness strategies and target resources.

- For ODP to work with State and local jurisdictions to better identify impediments at the State and local levels to the timely distribution of funds, identify “best practices,” and make recommendations to overcome these impediments.

I am happy to report, Mr. Chairman, that ODP, in consultation with the Secretary and other Department components, is already addressing many of these recommendations. For instance, for Fiscal Year 2004, ODP is implementing new reporting and monitoring guidelines. These new procedures will enable ODP to better track each State’s progress in allocating funds and meeting the objectives outlined in their 2003 State Strategies and Assessments. Further, prior to the start of Fiscal Year 2005, ODP will establish a Dedicated Audit Team in order to more closely audit grant expenditures and better ensure compliance with program requirements.

Also during the past year, ODP has greatly improved its communications with State and local officials to assist them to better understand program requirements and better plan for the use and allocation of program funds. As an example, ODP, along with other Department components, participates in bi-weekly conference calls with the various State homeland security directors. These conference calls provide direct access among Federal and State representatives to facilitate the quick flow of information. Similarly, ODP, as part of its administration of the Fiscal Year 2003 UASI Program, instituted conference calls among ODP staff and mayors and other State and local officials representing the various urban areas comprising the UASI sites. Again the use of conference calls expedited and facilitated the exchange of information and ideas among the parties.

Further Mr. Chairman, this past February, Secretary Ridge provided each State's governor with a report on homeland security funds awarded, obligated, and spent within the State. These reports are being updated on a regular basis. Keeping the governors informed in this manner has enhanced their ability to maintain oversight over these monies. These efforts are in addition to ODP's continuing efforts to provide customer service, including the ODP Helpline, and technical assistance and monitoring visits by ODP staff to State and local jurisdictions. Within the past six months, staff from ODP's State and Local Management Division, the ODP component responsible for the administration of the homeland security grant funds, have made 22 monitoring trips and, in the last 12 months, have made 300 technical assistance trips to State and local jurisdictions.

ODP is also continuing its efforts to develop preparedness standards and to establish clear methods for assessing State and local preparedness levels and progress. As you will recall Mr. Chairman, on December 17, 2003, the President issued "Homeland Security Presidential Directive (HSPD)-8." Through HSPD-8, the President tasked Secretary Ridge, in coordination with other Federal departments and State and local jurisdictions, to develop national preparedness goals, improve delivery of federal preparedness assistance to State and local jurisdictions, and strengthen the preparedness capabilities of Federal, State, territorial, tribal, and local governments. HSPD-8 is consistent with the broader goals and objectives established in the President's National Strategy for Homeland Security issued in July, 2002, which discussed the creation of a fully-integrated national

emergency response capability. Inherent to the successful implementation of HSPD-8 is the development of clear and measurable standards for State and local preparedness capabilities.

The standards that will result from HSPD-8 implementation build on an existing body of standards and guidelines developed by ODP and other Federal agencies to guide and inform State and local preparedness efforts. Since its inception ODP has worked with Federal agencies and State and local jurisdictions to develop and disseminate information to State and local agencies to assist them in making more informed preparedness decisions, including capability assessments, preparedness planning and strategies, and choices relating to training, equipment, and exercises. Again, with your permission Mr. Chairman, I would like to submit for inclusion in the record, a summary of standards and guidelines issued by ODP over the last several years.

Earlier this year, the Secretary delegated to ODP the responsibility for the implementation of HSPD-8. This designation by the Secretary is consistent with ODP's mission, as provided under the provisions of the Homeland Security Act, to be the primary federal agency responsible for the preparedness of the United States for acts of terrorism. And ODP, together with Secretary Ridge, other Department components, Federal agencies, and State and local governments, firmly believe that the successful implementation of HSPD-8 is essential and critical to our Nation's ability to prevent, prepare for, and respond to acts of terrorism. In March, the Secretary approved these key items: first, a strategy for a better prepared America based on the requirements of HSPD-

8; second, an integrated, intra- and inter- governmental structure to implement HSPD-8; and third, an aggressive timeline for achieving HSPD-8's goals and objectives.

Implementation of HSPD-8 involves the participation of Federal, State, and local agencies, and, among other things, will result in the development and dissemination of clear, precise, and measurable preparedness standards and goals addressing State, local, and Federal prevention and response capabilities.

Further, I would like to reemphasize the importance of ODP's State Homeland Security Assessments and Strategies that were submitted to ODP by the States and territories this past January. And, it is important to note that this is not the first time States have been tasked with providing assessments. The information contained in these reports provides critical data describing State and local capabilities and requirements for use by both the States and the Federal Government. This data provides a critical benchmark from which ODP can assess both past and future progress in their development of preparedness capabilities. The current assessments and strategies are being compared to the first group of assessments and strategies submitted in Fiscal Year 2001. Then, the current group of assessments and strategies will provide a mark from which ODP can compare future assessments and strategies. In addition, the current assessments and strategies will help guide ODP's decisions regarding State and local training, equipment, planning, and exercise requirements.

Also critical to the implementation of HSPD-8 is the improved delivery of homeland security assistance, including homeland security funding to State and local governments.

This too was examined by the DHS Inspector General's report, which concluded that although ODP has been able to distribute funds to States in a timely manner, there were some impediments that slowed the further distribution of funds from States to local jurisdiction. These impediments did not exist in every State or in every jurisdiction, and, as the Inspector General noted, some impediments are unavoidable, and some can be corrected. For example, some delays in the distribution of homeland security funds can be linked to State and local procurement laws and requirements. Other delays resulted from the local planning process and the need to form consensus across multiple jurisdictions. Some delays were the result of deliberate decisions by State and local leaders who chose to spend more time planning rather than to spend funds quickly. Yet, despite these difficulties, ODP and the Department are committed to finding ways to further improve the distribution of homeland security funds.

To that end Mr. Chairman, on March 15, 2004, Secretary Ridge announced the creation of the Homeland Security Funding Task Force. This task force -- chaired by Massachusetts Governor Mitt Romney and co-chaired by Akron Mayor Donald Plusquellic, and comprised of several governors, mayors, county executives, and a representative of tribal governments -- will examine DHS' funding process for State and local assistance to ensure that DHS funds to the Nation's first responders move quickly and efficiently. It will also identify "best practices" in an effort to offer solutions to both the Department and State and local jurisdictions. By directly involving the States, territories, local communities, and tribal governments, this task force will provide an ongoing source of information to assist DHS and States and localities to do a better job.

And, the formation of this task force underscores the Secretary's commitment to a partnership between the Federal Government and its State and local counterparts, and his approach to homeland security as "One Mission, One Team." This task force, Mr. Chairman, will provide a report to the Secretary by the end of June, which we will share with the Congress.

An additional and important step toward improving how homeland security assistance is provided to States and local jurisdictions is contained in the President's Fiscal Year 2005 budget request. As part of the effort to improve the distribution of homeland security funds, the Administration has requested that the Secretary be provided increased flexibility under the distribution formula for ODP's Homeland Security Grant Program as contained in Section 1014 of the USA PATRIOT Act. This request is consistent with the Department's long-standing position that the PATRIOT Act formula be changed.

Our request to change the formula is designed to ensure that we can target Federal dollars in a manner consistent with protecting the nation in the most efficient and effective manner. It is designed to enable the Secretary to consider critical factors such as threats and vulnerabilities – factors this Committee has recognized as important. This increased flexibility will allow the Secretary to move Federal resources to respond to changes in vulnerabilities and threats.

This more nuanced approach does not mean, however, that minimum or base funding levels for the States and territories will be eliminated. As you are aware, Secretary Ridge

has consistently stated that a minimum amount of funds should be provided to all States and territories, and that for the nation to be secure, all States and territories must have the resources to address their particular and unique security needs.

Secretary Ridge is also taking steps to ensure that its staff and program offices can more efficiently support States and localities. On January 26, 2004, the Secretary informed the Congress of his intention to consolidate ODP with the Office of State and Local Government Coordination to form a new office – the Office for State and Local Government Coordination and Preparedness.

This consolidation is in direct response to requests from the nation’s first responders to provide the emergency response community with a “one-stop-shop” that is a central focal point for grants, assistance, and other interactions with the Department. Further, this consolidation places 25 varied State and local assistance programs and initiatives within one office to ensure simplified and coordinated administration of these programs.

Finally, this consolidation also will eliminate the duplication across program lines and heighten the complementary and synergistic aspects of these programs, and, by linking these programs to the State strategies and assessments, maximize their ultimate impact on States and localities.

At the same time, grouping these programs under one consolidated office ensures that the grants administration staffs and a limited number of program subject matter experts who guide these programs will work together, share their expertise, and achieve the

Department's goal of a better prepared America. The consolidation will enable the Department to evaluate programs more accurately, exercise greater Federal oversight, and ensure the government-provided resources are dispersed quickly and are used to maximum efficiency. This decision will benefit States and localities by providing them with a unified and coordinated means of assistance and support. It also provides a platform to ease coordination with other departments and agencies, as required in HSPD-8.

In closing Mr. Chairman, let me re-state Secretary Ridge's commitment to support the Nation's State and local emergency response community, and to ensure that America's first responders receive the resources and support they require to do their jobs. This concludes my statement. I am happy to respond to any questions that you and the members of the Committee may have. Thank you.